APPENDIX D TO PART 3500—AFFILIATED BUSINESS ARRANGEMENT DISCLOSURE
STATEMENT FORMAT

<u>Affiliated Business Arrangement Disclosure Statement Format</u>

<u>Notice</u>

To: _____   Property: _____

From: _____   Date: _____
    (Entity Making Statement)

    This is to give you notice that ____[referring party]____ has a business
relationship with __[settlement services provider(s)]__. [Describe the
nature of the relationship between the referring party and the provider(s),
including percentage of ownership interest, if applicable.] Because of this
relationship, this referral may provide _____[referring party]_____ a
financial or other benefit.

    [A.] Set forth below is the estimated charge or range of charges for
the settlement services listed. You are NOT required to use the listed
provider(s) as a condition for [settlement of your loan on] [or] [purchase,
sale, or refinance of] the subject property. THERE ARE FREQUENTLY OTHER
SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO
SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST
RATE FOR THESE SERVICES.

<u>[provider and settlement service]</u>   <u>[charge or range of charges]</u>

_____   _____

_____   _____

    [B.] Set forth below is the estimated charge or range of charges for
the settlement services of an attorney, credit reporting agency, or real
estate appraiser that we, as your lender, will require you to use, as a
condition of your loan on this property, to represent our interests in the
transaction.

<u>[provider and settlement service]</u>   <u>[charge or range of charges]</u>

_____   _____

_____   _____

ACKNOWLEDGMENT

    I/we have read this disclosure form, and understand that
____[referring party]____ is referring me/us to purchase the above-described
settlement service(s) and may receive a financial or other benefit as the
result of this referral.

_____
          Signature

[INSTRUCTIONS TO PREPARER:] [Use paragraph A for referrals other than those
by a lender to an attorney, a credit reporting agency, or a real estate
appraiser that a lender is requiring a borrower to use to represent the
lender's interests in the transaction. Use paragraph B for those referrals to
an attorney, credit reporting agency, or real estate appraiser that a lender
is requiring a borrower to use to represent the lender's interests in the
transaction. When applicable, use both paragraphs. Specific timing rules for
delivery of the affiliated business disclosure statement are set forth in 24
CFR 3500.15(b)(1) of Regulation X). These INSTRUCTIONS TO PREPARER should not
appear on the statement.]

[61 FR 58477, Nov. 15, 1996]